

**QUARTERLY REPORT TO THE JOINT LEGISLATIVE OVERSIGHT  
COMMITTEE**

**ON**

**MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND SUBSTANCE  
ABUSE SERVICES**

**SESSION LAW 2001-437**

**July 1, 2007 to September 30, 2007**

This quarterly report is submitted to the Legislative Oversight Committee in Mental Health, Developmental Disabilities and Substance Abuse Services (LOC), pursuant to the requirements of Session Law 2001-437. This report is for the months of July 1, 2007 to September 30, 2007 and provides information on major developments as the division implements reform.

**Section I: Major developments for this quarter include:**

Since the implementation of the new enhanced services in March 2006, there have been many accomplishments including expanding access and serving more consumers. There have been a number of challenges as well. The Division of Mental Health, Developmental Disabilities and Substance Abuse Services and the Division of Medical Assistance have jointly defined needed changes in the new enhanced service system. The changes were communicated through statewide training events entitled "Accessing Care." The training covered various topics of accessing care such as person-centered thinking, flowchart for accessing care, the role of screening/triage/referral, person-centered planning process, forms and instructions, service authorization and recommendations to providers.

**1. Communication Bulletins # 075 through # 080**

- Communication Bulletin #075 announced the clarification of IPRS funding for CAP-MR/DD Waiver recipients.
- Communication Bulletin #076 announced the promotion of Dr. James W. Osberg, Ph.D to the position of Chief of State Operated Services in the Division of Mental Health, Developmental disabilities and Substance Abuse Services.
- Communication Bulletin #077 announced the update in procedures and instructions relative to the complaint process effective October 1, 2007.

- Communication Bulletin #078 announced HB 625 which made changes to the names of several of the facilities operated by DMH/DD/SAS.
- Communication Bulletin #079 announced the designation of single Stream funding to the Durham center and East Carolina Behavioral Health.
- Communication Bulletin #080 announced the MH/DD/SAS Community Systems Progress Indicators for the fourth quarter of SFY 2006-2007.

In addition to the Communication Bulletin Series, the Division released several Enhanced Services Implementation Updates to assist providers and consumers with the transition process. Five Implementation Updates were released, covering the following topics:

- Implementation Update #31 provided clarification regarding specialized equipment and supplies, supervision of personal care for CAP-MR/DD, and CAP-MR/DD rate changes.
- Implementation Update #32 provided information on the training events entitled "Accessing Care."
- Implementation Update #33 announced DHHS decision to extend the date for the full endorsement of all services in Phase I, II, and III until November 30, 2007.
- Implementation Update #34 announced various updates on prior approval changes, Medicaid appeals, targeted case management, and more.
- Implementation Update #35 announced the CMS approval of an amendment to the CAP-MR/DD waiver. The amendment includes implementation of a new policy related to service provision by legally responsible individuals, relatives, and legal guardians.

## **2. Systems Development**

There were no significant system developments this quarter.

## **3. Merger of Local Management Entities (LMEs)**

Several LMEs completed mergers effective July 1, 2007, bringing the total number of LMEs to 25:

- Edgecombe-Nash and Wilson-Greene merged to form a new organization named The Beacon Center

- Beaufort County left Tideland LME and joined with Neuse LME, Roanoke-Chowan LME, and Pitt County LME to form a new organization called East Carolina Behavioral Health.
- The remaining four counties of Tideland LME (Hyde, Martin, Tyrell and Washington) merged with Albemarle LME. The LME retains the name Albemarle Mental Health Center.
- New River LME merged with Smoky Mountain Center. The LME retains the name Smoky Mountain Center.
- Burke County left Foothills LME and joined with Catawba to form a new organization named Burke-Catawba LME.

#### **4. Services and Programs**

- **Service Definitions:** There were no significant changes in service definitions this quarter.
- **Division Training:** During the quarter, the Division of MH/DD/SAS in conjunction with the Division of Medical Assistance provided training events entitled "Accessing Care."
- **Waivers:** No significant changes in waivers this quarter.

#### **5. Financing**

##### **Mental Health Trust Fund:**

As of September 30, 2007, \$85,985,321 from the Mental Health Trust fund has been used to assist in mental health reform and community expansion.

#### **6. Public Outreach to Discuss System Reform**

The Division continues to post on its website Questions and Answers regarding the New and Modified Service Definitions.

#### **7. Rule Changes**

The following rules were reviewed at the August 16, 2007 Commission for MH/DD/SAS meeting:

- Proposed Adoption of 10A NCAC 27I .0400 - Secretary Approval of LME Service Delivery
- Amendment of 10A NCAC 27G .0813 – Waiver of Licensure Rule
- Proposed Adoption of 10A NCAC 27G .0600 – Area Authority or County Program Monitoring of Facilities and Services
- Proposed Adoption of 10A NCAC 27G .7000 – LME Response to Complaints
- Proposed Adoption of 10A NCAC 27G .7004 – Appeals Regarding Utilization Review Decisions for Non-Medicaid Services
- Proposed Adoption of 10A NCAC 27I .0200 – Local Business Plan

- Proposed Adoption of 10A NCAC 27G .0507 – Area Board Evaluation of an Area Director
- Proposed Adoption of 10A NCAC 27G .7100 – Target Populations

#### **8. Developing Community Capacity**

The Division provided the LMEs with a new allocation of CAP-MR/DD waiver slots to serve individuals within their catchment area. All CAP-MR/DD waiver slots continue to be managed at the Division. The Division also continues to manage a number of slots which have been identified to address individuals transitioning from state operated facilities.